

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

IN RE LIBOR-BASED FINANCIAL INSTRUMENTS ANTITRUST LITIGATION	MDL No. 2262
THIS DOCUMENT RELATES TO:	Master File No. 1:11-md-2262-NRB ECF Case
CITY OF RIVERSIDE, ET AL. V. BANK OF AMERICA CORPORATION, ET AL.	No. 13-cv-0597
COUNTY OF SAN MATEO, ET AL. V. BANK OF AMERICA CORPORATION, ET AL.	No. 13-cv-0625
EAST BAY MUNICIPAL UTILITY DISTRICT V. BANK OF AMERICA CORPORATION, ET AL.	No. 13-cv-0626
CITY OF RICHMOND, ET AL. V. BANK OF AMERICA CORPORATION, ET AL.	No. 13-cv-0627
COUNTY OF SAN DIEGO V. BANK OF AMERICA CORPORATION, ET AL.	No. 13-cv-0667
THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, ET AL. V. BANK OF AMERICA CORPORATION, ET AL.	No. 13-cv-5186
COUNTY OF SONOMA, ET AL. V. BANK OF AMERICA CORPORATION, ET AL.	No. 13-cv-5187
SAN DIEGO ASSOCIATION OF GOVERNMENTS V. BANK OF AMERICA CORPORATION, ET AL.	No. 13-cv-5221
COUNTY OF SACRAMENTO V. BANK OF AMERICA CORPORATION, ET AL.	No. 13-cv-5569
COUNTY OF MENDOCINO V. BANK OF AMERICA CORPORATION, ET AL.	No. 13-cv-8644
AMABILE, ET AL. V. BANK OF AMERICA CORPORATION, ET AL.	No. 13-cv-1700
MARAGOS V. BANK OF AMERICA CORPORATION, ET AL.	No. 13-cv-2297
THE FEDERAL HOME LOAN MORTGAGE CORPORATION V. BANK OF AMERICA CORPORATION, ET AL.	No. 13-cv-3952
CITY OF HOUSTON V. BANK OF AMERICA CORPORATION, ET AL.	No. 13-cv-5616
PRINCIPAL FUNDS, INC., ET AL. V. BANK OF AMERICA CORPORATION, ET AL.	No. 13-cv-6013
PRINCIPAL FINANCIAL GROUP, INC., ET AL. V. BANK OF AMERICA CORPORATION, ET AL.	No. 13-cv-6014
THE CHARLES SCHWAB CORP. ET AL. V. BANK OF AM. ET AL.	No. 13-cv-7005

NATIONAL CREDIT UNION ADMINISTRATION BOARD V. CREDIT SUISSE GROUP AG, ET AL.	No. 13-cv-7394
TRIAXX PRIME CDO 2006-1 LTD., ET AL. V. BANK OF AMERICA CORPORATION, ET AL.	No. 14-cv-0146
FEDERAL DEPOSIT INSURANCE CORPORATION V. BANK OF AMERICA CORPORATION, ET AL.	No. 14-cv-1757
BAY AREA TOLL AUTHORITY V. BANK OF AMERICA CORPORATION, ET AL.	No. 14-cv-3094

**DECLARATION OF KEVIN P. MCKENDRY**

KEVIN P. MCKENDRY declares as follows pursuant to 28 U.S.C. § 1746:

1. I am the Chief Legal Officer, North America of Lloyds Bank plc, formerly known as Lloyds TSB Bank plc (“Lloyds Bank”), and of Bank of Scotland plc (“Bank of Scotland”). I am authorized to make this declaration on behalf of defendants Lloyds Bank, Lloyds Banking Group plc (“LBG”) and HBOS plc (“HBOS”, a company of which Bank of Scotland is a direct, wholly-owned subsidiary), and submit this declaration in support of their motion, pursuant to Rule 12(b)(2) of the Federal Rules of Civil Procedure, to dismiss the complaints in the above-captioned actions as against them for lack of personal jurisdiction. The facts stated herein are true based on my own personal knowledge and my review of records maintained in the regular course of business by LBG or its subsidiaries.

2. Defendant LBG is, and at all relevant times since its formation has been, a corporation organized and existing under the laws of Scotland. The registered office of LBG is located at The Mound, Edinburgh EH1 1YZ, Scotland (company registration number SC95000) and its principal place of business is in the United Kingdom. Prior to January, 2009, LBG was known as Lloyds TSB Group plc (“LTSB Group”), and its principal banking subsidiary was Lloyds Bank. In January 2009, substantially simultaneously with its acquisition of 100% of the

ordinary shares of HBOS, LTSB Group changed its name to LBG. LBG is a holding company for companies engaged in the banking and insurance businesses. The Government of the United Kingdom, through Her Majesty's Treasury, currently owns 24.9% of the ordinary shares of LBG's stock.

3. Defendant Lloyds Bank, a wholly owned subsidiary of LBG, is, and at all relevant times has been, a corporation organized and existing under the laws of England and Wales, with its registered office located at 25 Gresham Street, London EC2V 7HN, England (company registration number 2065) and its principal place of business in the United Kingdom.

4. Defendant HBOS, a wholly owned subsidiary of Lloyds Bank (having been acquired by Lloyds Bank from LBG on January 1, 2010), is, and at all relevant times has been, a corporation organized and existing under the laws of Scotland, with its registered office located at The Mound, Edinburgh, Scotland (company registration number no. SC218813) and its principal place of business in the United Kingdom. HBOS is a holding company for its subsidiaries, including Bank of Scotland.

5. The principal regulators of LBG, Lloyds Bank and HBOS are the Prudential Regulation Authority and the Financial Conduct Authority, both of the United Kingdom.

6. The business of LBG and its subsidiaries – including Lloyds Bank, HBOS and Bank of Scotland – is overwhelmingly centered in the United Kingdom. For example, according to its 2013 Annual Report, available at [http://www.lloydsbankinggroup.com/globalassets/documents/investors/2014/2013\\_lbg\\_interactive\\_annual\\_report.pdf](http://www.lloydsbankinggroup.com/globalassets/documents/investors/2014/2013_lbg_interactive_annual_report.pdf), LBG's subsidiaries operate the largest banking branch network in the United Kingdom. *See* 2013 Annual Report, at 24. LBG subsidiaries operate 2,249 bank branches across the United Kingdom. In contrast, there are only two branches of LBG

subsidiary banks in the United States (one each of Lloyds Bank and Bank of Scotland, housed at a common location in New York), one representative office of Bank of Scotland in each of Chicago and Houston. Neither LBG nor HBOS maintains any offices in the United States.

7. Because the business of LBG and its subsidiaries is so heavily centered in the United Kingdom, LBG no longer presents in its annual report a segment analysis by geography. *See* 2013 Annual Report at F-28 (Notes to the Consolidated Financial Statements); *see also id.* at 232 (“Following the continuing reduction in the Group’s non-UK activities, an analysis between UK and non-UK activities is no longer provided.”) In 2012, the last year for which LBG presented this data, approximately 89% of its total assets were in the United Kingdom and over 94% of its total income was earned there. *See* 2012 Annual Report, available at [http://www.lloydsbankinggroup.com/globalassets/documents/investors/2012/2012\\_lbg\\_randa\\_interactive.pdf](http://www.lloydsbankinggroup.com/globalassets/documents/investors/2012/2012_lbg_randa_interactive.pdf), p. 234. In none of the past five years has any country other than the United Kingdom contributed more than 5% of either total assets or income of LBG and its subsidiaries.

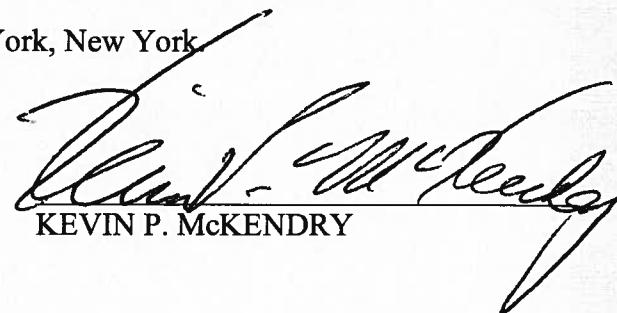
8. As reported in its 2013 Form 20-F, available at [http://www.sec.gov/Archives/edgar/data/1160106/000093041314001093/c76674\\_20f.htm](http://www.sec.gov/Archives/edgar/data/1160106/000093041314001093/c76674_20f.htm), as of December 31, 2013, LBG and its subsidiaries employed nearly 89,000 people, calculated on a full-time equivalent (“FTE”) basis, worldwide; 97% of them (i.e., all but 1200) based in the UK. *See id.* at 2, 6. As of September 30, 2014, only 326 employees are employed by LBG subsidiaries, on a FTE basis, in the United States – 306 in New York.

9. During the period relevant to the above-captioned actions, Lloyds Bank and Bank of Scotland were members of the panel of banks making submissions of British Bankers Association United States Dollar (“USD”) London Interbank Offered Rates (“LIBOR”). All of the individuals who made, or had input into the making of, such submissions were then

employed in the United Kingdom and those submissions were made from London. At no time did any U.S.-based employees make or have any input into the USD LIBOR submissions (or LIBOR submissions in any other currency) of Lloyds Bank or Bank of Scotland. Neither the New York branches of Lloyds Bank and Bank of Scotland nor any other U.S.-based office or entity that is or was a direct or indirect subsidiary of LBG have, or at any relevant time had, any responsibility for determining or making LIBOR submissions.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 4, 2014, at New York, New York.



KEVIN P. MCKENDRY